

presumption ought to be the opposite: that a migrated customer wishes to remain listed as is unless BellSouth receives notice to the contrary. When MCI assumed that customers' listings would remain unchanged after migration, BellSouth took advantage of the situation by not calling MCI's attention to the problem but instead notifying MCI's customers directly that their listings were about to be dropped. This is an example of how unreasonable requirements imposed by BellSouth can have a direct anticompetitive effect on CLECs' business. Because customer listings were dropped from white pages directories, this issue also implicates checklist item (viii).

ACCESS TO NUMBERS (Checklist Item (ix))

44. BellSouth, the NXX administrator in its region, claims that it provides nondiscriminatory access to NXX codes as required by the Act. See SGAT § IX. However, BellSouth has not identified any standards that are in place for its assignment of NXXs or performance measures by which its NXX administration may be assessed. In addition, BellSouth does not describe any steps it might have taken to ensure efficient management of NXX resources. To reduce the possibility of discrimination, BellSouth should take appropriate precautions against NXX exhaust. BellSouth has not shown that it complies with checklist item (ix) until it demonstrates that it has worked, in cooperation with the SCPSC, other ILECs, and new entrants, to eliminate the possibility of NXX exhaust.

45. Guaranteeing equal access to numbers is an explicit requirement of the competitive checklist because it is extremely important to new entrants in the local exchange market, especially when all the NXX codes within an area code become exhausted. In such situations, CLECs will be affected to a much greater extent than ILECs, because ILECs already

have NXX codes covering their entire territory, whereas CLECs can be completely blocked from extending service until a new area code is implemented, a process that typically takes more than a year to complete.

46. In addition to assigning NXX codes in an efficient and nondiscriminatory manner, BellSouth should also take appropriate steps to ensure that CLECs' codes are loaded into the switches of all third parties. Otherwise, voids will be created which prevent CLECs' customers from receiving calls from customers of third party carriers who do not have the CLECs' codes loaded. For this reason, BellSouth as NXX administrator should be notifying the industry about new NXXs that have been assigned to CLECs and are opening up. BellSouth does this today for its affiliates, such as BellSouth Mobility (BellSouth's cellular affiliate), so it becomes an issue of lack of parity when BellSouth refuses to notify third parties of NXXs assigned to unaffiliated CLECs. BellSouth also performs tests to ensure that its affiliates' codes have been loaded into its switches, but BellSouth does not perform similar tests for CLECs' codes. Again, this is a clear lack of parity.

ACCESS TO CALL-RELATED DATABASES AND SIGNALING LINKS (Checklist Item (x))

47. Access to BellSouth's call-related databases and associated signaling is required by the checklist. 47 U.S.C. § 271(c)(2)(B)(x). BellSouth will not have fully implemented the checklist until it is actually and verifiably providing such access on reasonable, nondiscriminatory terms. BellSouth is not doing so today. Again, BellSouth states on paper that it will provide all that is required by the Act, but does not set forth reliable procedures for doing so. For example, BellSouth claims that "[t]he SGAT provides the methods and procedures to

allow a CLEC to query the BellSouth LIDB database,” Milner Aff. ¶ 78, but the cited SGAT provision merely says that CLECs may query the database -- it does not say how. See SGAT § X.A.3.a. Likewise, BellSouth states that “[t]he SGAT provides the terms and conditions for nondiscriminatory access to BellSouth’s Toll Free Number Database,” Milner Aff. ¶ 85, but the cited section of the SGAT simply notes that “[t]he Toll Free Number Database is an SCP that provides functionality necessary for toll free number service.” SGAT § X.A.3.b. There is no mention of terms, conditions, or procedures. Moreover, BellSouth describes the testing of access to its AIN (Advanced Intelligent Network) only in the most general terms, and acknowledges that it has performed no end-to-end testing of its signaling service. See Milner Aff. ¶¶ 93, 94.

48. In addition, BellSouth’s SGAT states that it will provide Common Channel Signaling (“CCS”) where it is available for all CLASS features and functions except for call return. SGAT § XV.D. There is no reason why call return should not be made available to new entrants. Call return is a basic CLASS feature that is offered by nearly all ILECs to their end users. BellSouth’s refusal to provide CCS for this feature evidences a desire to restrict CLECs’ access to call-completing databases in violation of the Act.

49. Finally, the SGAT places a discriminatory limitation on CLECs in that it requires CLECs to use SS7 signaling for access to BellSouth’s 800 database, rather than using BellSouth’s Feature Group D service. See SGAT § I.B.7. (“The CLEC shall utilize SS7 signaling links, ports and usage as set forth in Section X below. The CLEC will not utilize switched access FGD service.”). The requirement that CLECs have SS7 capability is discriminatory because BellSouth allows independent telephone companies and its own cellular affiliate to use the Feature Group D protocol and obtain the signaling functionality from BellSouth. BellSouth has stated

that if a CLEC wishes to obtain access to its 800 database without using its own SS7 signaling, it will entertain that request through the BFR process. See Attach. 7 (Rebuttal Testimony of W. Keith Milner Before the North Carolina Utilities Commission (Sept. 15, 1997)). This is just one more unnecessary roadblock that BellSouth has laid down in front of its potential competitors.

NUMBER PORTABILITY (Checklist Item (xi))

50. BellSouth's SGAT offers interim local number portability ("ILNP") via remote call forwarding ("RCF") and direct inward dialing ("DID"). However, BellSouth has not made ILNP available in accordance with the checklist, 47 U.S.C. § 271(c)(2)(B)(xi), unless it can and will provide ILNP in a timely manner, in coordination with local loop cutovers. As with other checklist items, the SGAT sets no established interval within which it will provide interim number portability. And in other BellSouth states, BellSouth has not adequately coordinated ILNP with loop cutovers to MCI customers. For example, a Florida customer of MCI's suffered loss of service when, after cutover from BellSouth to MCI was rescheduled from August 21 to September 10, 1997, BellSouth disconnected the customer's circuits on August 21. Although MCI had confirmed the new date for the cutover with BellSouth, and although the RCF order had been corrected, the August 21 disconnect order had never been cancelled. The result was that the customer was out of service for five hours.

51. Likewise, on Friday, October 10, 1997, another Florida customer of MCI's was scheduled for loop cutover and ILNP at 6:00 p.m. MCI's representative had spoken with the BellSouth project manager that morning to ensure that the cutover did not occur before the scheduled time. But, at around 3:00 p.m., BellSouth proceeded to disconnect the customer's

lines, putting the customer out of service in the middle of its work day. Similar problems -- particularly premature disconnections by BellSouth resulting in loss of service -- have occurred repeatedly in BellSouth's territory.

52. To avoid these difficulties, the time window for ILNP conversions must be as narrow as possible and must be coordinated with cutover of the loop. These and related problems that MCI has experienced in other BellSouth states -- such as BellSouth's failure to honor MCI's requests for postponement of ILNP conversions and BellSouth's habit of taking the entirety of a two-hour window to complete a two-minute RCF -- must not recur in South Carolina. BellSouth's SGAT provides no performance measures or other standards that could serve as assurances that BellSouth will provide ILNP in a reasonable and nondiscriminatory manner. And BellSouth's affidavits ignore the implementation concerns associated with ILNP. See Varner Aff. ¶¶ 172-75; Milner Aff. ¶ 97.

53. Moreover, although BellSouth acknowledges that Route Indexing -- Portability Hub is a technically feasible method of providing ILNP, see Milner Aff. ¶ 96, BellSouth will only entertain requests for that method of ILNP via the BFR process. See Varner Aff. ¶ 172.

54. Finally, the SGAT makes only a vague promise to implement a permanent solution for number portability as it is developed by regulators and industry forums. SGAT § XI.F. That promise is insufficient to satisfy this Commission's expectation that a BOC will provide a detailed implementation plan for permanent number portability as part of its application for section 271 approval. See Michigan Order ¶ 342. In the affidavits supporting BellSouth's application, one affiant directs readers to another affiant, see Varner Aff. ¶ 178, and the second

affiant provides only a cursory discussion of BellSouth's plan. See Milner Aff. ¶ 102. BellSouth has made no serious effort to comply with the Commission's requirement to set forth a detailed plan for permanent number portability.

**DIALING PARITY
(Checklist Item (xii))**

55. The Act requires ILECs to provide dialing parity, which Congress defined as including the duty to provide nondiscriminatory access to directory listings. 47 U.S.C. § 251(b)(3). This Commission has noted that any customer of a competing provider “should be able to access any listed number on a nondiscriminatory basis, notwithstanding . . . the identity of the telephone service provider for the customer whose directory listing is requested.” Second Report and Order ¶ 135 (emphasis added). Furthermore, competing providers must have “the same quality of access to [directory assistance and directory listing] services that a LEC itself enjoys.” Second Report and Order ¶ 142. Moreover, section 271(c)(2)(B)(vii)(II) makes nondiscriminatory access to “directory assistance services to allow the other carrier's customers to obtain telephone numbers” a stand-alone requirement of the competitive checklist. And section 251(c)(3) of the Act also requires ILECs to provide nondiscriminatory access to directory assistance databases as unbundled network elements. Thus, BellSouth cannot meet checklist items (xii), (vii), or (ii) unless it provides nondiscriminatory access to its database of directory listing information.

56. To satisfy these checklist items, BellSouth must offer CLECs the same DA database that is available to its own operators on a nondiscriminatory and equal-in-quality basis.

Although the SGAT does not reveal this limitation directly, see SGAT § VII.B.2.,⁶ BellSouth has informed MCI that it will not provide the entire database, but only the listings for customers of BellSouth itself and of selected independent local telephone companies. BellSouth will not provide listings of those independent companies whose agreements with BellSouth include confidentiality provisions. As a result, CLECs' operators do not have access to the listings for customers of many of South Carolina's independent LECs -- even though BellSouth maintains a single, integrated database, through which BellSouth operators have access to all independent LEC listings. The availability of all independent companies' listings to BellSouth operators is clear from BellSouth's recent introduction of a national directory assistance service in Kentucky: test calls placed by MCI have confirmed that BellSouth is providing listings to users of that service that are not available to MCI's directory assistance operators. Thus, CLECs are not being provided with equal-in-quality access to unbundled DA databases. In practical terms, in order to access directory service listings for customers of independent telephone companies an MCI customer will have to be transferred by MCI to BellSouth's directory assistance or dial a special code to by-pass MCI and reach BellSouth. This is hardly dialing parity, and it damages competition by making MCI's local service less attractive than BellSouth's.

⁶The only hint of BellSouth's policy of shielding certain carriers' directory listings from disclosure to CLECs is in SGAT § VIII.F., which states that BellSouth will treat CLECs' directory listing information with the same confidentiality that it accords its own listing information. I understand that BellSouth's rationale for not providing all directory listings is that it is contractually committed to keeping certain carriers' listings confidential. However, the Act requires all LECs -- both BellSouth and any ILEC or CLEC whose listings it refuses to provide -- to make their directory listings available in a nondiscriminatory manner. See 47 U.S.C. § 251(b)(3). A private contract cannot abrogate this duty.

RECIPROCAL COMPENSATION
(Checklist Item (xiii))

57. The reciprocal compensation process proposed by BellSouth in the SGAT is not equitable, because it does not provide for truly reciprocal compensation with respect to the tandem interconnection rate for terminating local traffic. BellSouth intends to bill CLECs for tandem switching used to terminate calls from CLECs' customers. However, BellSouth apparently will not permit CLECs to bill BellSouth equally for the use of CLEC switches having the same functionality and geographic scope as BellSouth's tandems. Instead, according to the SGAT, BellSouth will pay only the end office termination rate when a CLEC has a single switch, regardless of the switch's functionality and geographic scope. See SGAT § XIII. & Attach. A.; Varner Aff. ¶ 184.

58. MCI's and other CLECs' local switches perform the same functions and provide the same services -- transport and termination -- as do BellSouth's tandem switches. When MCI interconnects with an ILEC's tandem and an ILEC interconnects with MCI's switch, the function performed by each switch is to allow customers of each carrier to call one another. That function is unaffected by the fact that the ILEC accomplishes it by using a tandem switch, while MCI uses a different network architecture. Accordingly, the reciprocal compensation arrangements contemplated by BellSouth are not in fact reciprocal.

RESALE
(Checklist Item (xiv))

59. BellSouth has not complied with the statutory checklist with respect to the resale of telecommunications services provided to retail customers, because BellSouth is evading

its duty “not to prohibit, and not to impose unreasonable or discriminatory conditions on, the resale of such telecommunications services.” 47 U.S.C. § 251(c)(4)(B). The serious deficiencies in BellSouth’s OSS for resale, which render commercial entry via resale unworkable at this time, are discussed in the declaration of Samuel King. The SGAT’s provisions with respect to resale are also deficient on their face.

60. Although the Act requires ILECs to make all telecommunications services available at a wholesale discount for resale to end users, 47 U.S.C. § 251(c)(4) (discussing ILECs’ duty “to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail”), BellSouth’s SGAT states that contract service arrangements are not available to CLECs at the wholesale discount, but only at the same rates offered to BellSouth end users. SGAT § XIV.B.1.; see Varner Aff. ¶¶ 191, 192. This policy constitutes a wholly unwarranted limitation on CLECs’ ability to resell certain BellSouth telecommunications services. BellSouth has pointed to no justification in the Act for this policy.

61. In addition, BellSouth has been using information gained from CLECs resale activity in an improper effort to retain customers. This is a misuse of CLECs’ and their customers’ data. Specifically, during a resale trial in Georgia, MCI discovered that BellSouth was sending retention letters to customers before their service had migrated to MCI. BellSouth could only have obtained the information that these customers were switching service to MCI through access to MCI’s resale orders. BellSouth argued to the Georgia Public Service Commission that these retention letters were triggered by disconnect orders to BellSouth, not by MCI’s order submissions. See Attach. 8 (Letter from Fred McCallum, Jr., BellSouth, to Chairman Stan Wise, Georgia Public Service Commission (Aug. 14, 1997)). However, I myself received one of

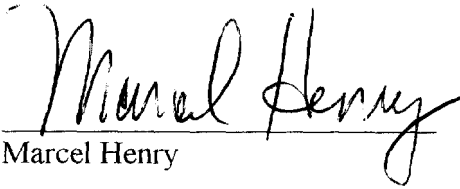
BellSouth's retention letters, even though I was initiating new service, not converting a line that had been BellSouth's. See Attach. 8A (BellSouth retention letter to Marcel Henry). The letter I received could not have been triggered by a disconnect order, as there was no disconnect order in that case. Use of MCI's ordering information to retain customers before they can even be migrated is anticompetitive, discriminatory, and contrary to the Act.

62. On a similar note, another MCI employee, Butch Aggen, received a BellSouth-branded leave-behind doorhanger when he had a second line, resold by MCI, installed at his home. See Attach. 9 (BellSouth doorhanger). This is directly contrary to SGAT § XIV.F. and is anticompetitive, particularly because the doorhanger promoted BellSouth's service with slogans such as "At BellSouth, we care about the quality of your service." Id.

CONCLUSION

63. For all of the reasons discussed above, BellSouth's SGAT does not truly offer each of the fourteen items required under the Act's competitive checklist. BellSouth's offerings of some items are deficient on their face. Others are deficient because BellSouth has not shown that there are established and reliable procedures in place through which it can provide checklist items in commercial quantities on terms and conditions that comply with the Act. The SGAT, after all, is just paper, and it is easy to put in writing an intention to do what the Act requires. What takes effort, and what is essential to permit local competition to develop, is to make items truly available by setting up standardized procedures that allow CLECs to obtain any item as a matter of course. BellSouth has not yet done that.

I declare, under penalty of perjury, that the foregoing is true and correct. Executed on
October 20, 1997.


Marcel Henry

ATTACHMENT 1

MCI Telecommunications Corporation

MCI Center
Three Ravinia Drive, Fourth Floor
Atlanta, GA 30346
770 280 7840
Fax 770 280 7849
Marcel Henry
General Manager
Southern Financial Operations

January 27, 1997

Mr. Mark L. Feidler
President, InterConnection Services
BellSouth Telecommunications, Inc.
Suite 4511
675 West Peachtree Street, N.E.
Atlanta, Georgia 30375

Dear Mark,

In anticipation of our approved interconnection agreements and as follow up to Michael Beach's letter to you dated January 3, 1997, I am writing to formally notify BellSouth of MCI's intent to order unbundled loops, all unbundled network elements, and resale service. In order for MCI to move forward with commercial service plans, MCI requests that BellSouth provide information, outlined below, for each one of these delivery methods by February 5, 1997. MCI would like to meet with BellSouth during the week of February 10, 1997 to discuss our plans to utilize all of these services.

MCI asks that you provide all updated documentation and information which will enable MCI to order and support commercial service via unbundled loops, resale service, and any combination of unbundled network elements. These elements include, but are not limited to, Local Loop, Network Interface Device, Switching Capability, Interoffice Transmission Facilities, Signaling Networks and Call-Related Databases, Operations Support Systems Functions and Operator Services and Directory Assistance.

The documentation and information MCI requires includes, but is not limited to the following:

- Preordering information
- Ordering, installation, maintenance, billing, and pricing information
- Order processing, installation, maintenance and billing policies, procedures, forms and contacts
- Order intervals
- Cutover procedures
- Escalation procedures and contacts
- Products/services supported via unbundled loops, unbundled network elements, and resale

I am asking for cooperation from BellSouth so MCI may take the first step toward commercial service with unbundled loops. MCI would like to place test orders for unbundled loops at the serving wire center

locations identified on the next page, starting February 19, 1997. These loops will be used in a trial MCI will conduct to test processes and procedures prior to offering service to customers. MCI expects BellSouth to treat these orders as you would treat any other customer.

After receipt of the unbundled elements documentation, MCI will schedule an alpha test of unbundled local switching, combined with unbundled loops, at one or more of the serving wire center addresses listed on the next page. We would like to start this alpha no later than February 21, 1997.

Additionally, MCI would like to order, test, and offer commercial local service by purchasing the combination of dedicated interoffice transport, TR 303 digital loop concentration service, and unbundled loops. Testing locations to be specified at the time of our meeting. MCI also would like to commence this testing no later than February 28, 1997.

Serving Wire Centers:

CLLI Address

ATLNGASS Atlanta, GA

SMYRGAMA Smyrna, GA

MIAMFLWM Miami, FL

HLWDFLWH 250 S.W. 62nd Street (Miami)

MIAMFLGR 45 N.W. Fifth Street (Miami)

ORLDFLMA 45 N. Magnolia Avenue (Orlando)

ORLDFLPH 5120 Silver Star Road (Orlando)

ATLNGACS 70 Courtland Street (Atlanta)

ATLNGAPP 65 10th Street (Atlanta)

DNWDGAMA 5375 Chmb-Dnwd (Dunwoody)

SMYRGAPF 1732 Powers Ferry Road (Smyrna)

MCI is requesting a meeting with BellSouth senior management during the week of February 10, 1997 to discuss our plans for utilizing all the services specified in this letter and ensure that BellSouth is prepared to offer services and treat MCI orders at a level compliant with the provisions of the Telecom Act. We can arrange a meeting to accommodate all required participants by hosting it in person or via a conference bridge. We would appreciate a contact name with whom MCI can work to set up the meeting.

Sincerely,

/S/

Marcel Henry

ATTACHMENT 1A

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 97-115-C**

In the matter of:

Application of MCImetro Access)	
Transmission Services, Inc. for a)	
Certificate of Public Convenience and)	TESTIMONY OF
Necessity to Provide)	GREG DARNELL
Telecommunications Services.)	
<hr/>		

1 **Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A: My name is Greg Darnell. My business address is 780 Johnson
3 Ferry Road, Atlanta, Georgia, 30342.

5 **Q: BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A: I am the Regional Manager of Competition Policy for MCI
7 Telecommunications Corporation. My responsibilities include
8 defining what MCI's external policies should be and advocating
9 those policies throughout the nine BellSouth states.

11 **Q: PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND**
12 **EXPERIENCE.**

13 A: I have a Bachelors degree in Economics from the University of
14 Maryland and have completed Graduate courses in Electrical
15 Engineering, Economics and Public Policy at George Washington
16 University. I have 15 years experience in the
17 telecommunications industry. My work experience includes

1 obtaining licenses and construction permits for Radio
2 Stations, anti-trust litigation in MCI vs. AT&T, Corporate
3 Finance, Business & Economic Analysis, Federal Regulatory,
4 ILEC Relations and State Regulatory. I have testified on
5 behalf of MCI in numerous local competition arbitration cases
6 on resale and ancillary services matters and have written and
7 filed comments on behalf of MCI in a broad range of tariff and
8 rulemaking dockets at the Federal Communications Commission.

9
10 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

11 **A:** The purpose of my testimony is to present evidence describing
12 the technical, managerial and financial fitness of MCImetro
13 Access Transmission Services, Inc. (MCImetro) to provide the
14 proposed telecommunications services in South Carolina. This
15 testimony will also describe the services proposed by
16 MCImetro. Finally, the purpose of my testimony is to show
17 that the public interest will be served by approval of the
18 application of MCImetro for a certificate of public
19 convenience and necessity.

20
21 **Q: PLEASE DESCRIBE MCIMETRO'S CORPORATE STRUCTURE.**

22 **A:** MCImetro is a corporation under the laws of the State of
23 Delaware. MCImetro is a wholly-owned subsidiary of MCImetro,
24 Inc. which is a wholly-owned subsidiary of MCI
25 Telecommunications Corporation, or MCIT, which, in turn, is a

1 wholly-owned subsidiary of MCI Communications Corporation, or
2 MCIC.

3
4 Q: IS MCIMETRO CURRENTLY AUTHORIZED TO DO BUSINESS IN SOUTH
5 CAROLINA?

6 A: Yes. MCImetro received authority to conduct business in South
7 Carolina on September 6, 1995.

8
9 Q: PLEASE DESCRIBE MCIMETRO'S SERVICES AND HOW THE COMPANY
10 INTENDS TO PROVIDE THEM.

11 A: MCImetro seeks authority to provide local switched and private
12 line telecommunications services to the public throughout the
13 BellSouth, GTE and SPRINT LTD certificated areas statewide,
14 initially reselling local services and/or using unbundled
15 network elements obtained from other carriers, and eventually
16 providing local services via facilities either constructed,
17 owned, leased and/or managed by MCImetro. MCImetro is not
18 seeking authority to provide local services in any rural
19 independent telephone company certified areas at this time.
20 In addition, MCImetro seeks authority to provide intraLATA
21 intrastate long distance services throughout MCImetro's
22 service areas in the State of South Carolina.

1 Q: FROM WHOM WILL MCIMETRO OBTAIN INTRASTATE LONG DISTANCE
2 SERVICE?

3 A: MCImetro will use MCI Telecommunications to provide its
4 intrastate long distance service on its administrative lines.
5 However, MCImetro's customers will be able to choose any long
6 distance company they want. When MCImetro installs local
7 switching facilities it will provide 1+ interLATA and
8 intraLATA equal access to all long distance service providers
9--- so that customers can presubscribe or "PIC" the long distance
10 company of their choice.

11

12 Q: HOW DOES MCIMETRO BILL FOR ITS SERVICES?

13 A: Customers will be directly billed by MCI.

14

15 Q: HOW ARE CUSTOMER BILLING INQUIRIES HANDLED?

16 A: Customers may contact MCImetro for billing inquiries through
17 a toll free number. The number is printed on each customer
18 bill. The Center is open 6:00 a.m. to 9:00 p.m. Mountain Time.

19

20 Q: DOES MCIMETRO HAVE ITS OWN CUSTOMER SERVICE DEPARTMENT?

21 A: Yes. Customers may contact MCImetro directly for repair and
22 maintenance or service inquiries. The toll free number for
23 MCImetro's Customer Service Department is (800) 374-6400. The
24 Customer Service Department is open 7 days a week, 24 hours
25 and day for repair, maintenance and dispatch and from 6:00

1 a.m. to 9:00 p.m. Monday through Friday, Central Time for new
2 orders and changes of service.

3
4 Q: IS MCIMETRO AUTHORIZED TO PROVIDE LOCAL SERVICE IN OTHER
5 STATES?

6 A: Yes. MCImetro is currently authorized to offer service in the
7 states of California, Connecticut, Delaware, Florida, Georgia,
8 Illinois, Indiana, Kansas, Kentucky, Maine, Maryland,
9-- Massachusetts, Michigan, Minnesota, Missouri, North Carolina,
10 New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode
11 Island, Tennessee, Texas, Utah, Virginia, Washington, and
12 Wisconsin. MCImetro is currently pursuing certification and
13 has applications pending in Alabama, Arkansas, Arizona,
14 Louisiana, Mississippi and Colorado.

15
16 Q: PLEASE DISCUSS THE TECHNICAL ABILITY OF MCIMETRO TO PROVIDE
17 TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA.

18 A: MCImetro will utilize the technical expertise of the
19 underlying carrier when it is either acquiring unbundled
20 elements from that carrier or reselling that carrier's
21 services. MCImetro intends to do both. In addition,
22 MCImetro's own in-house abilities will be used to augment the
23 expertise and technical assistance obtained from the
24 underlying carrier. The company plans to initially utilize
25 the switching facilities of an underlying carrier with

1 facilities and equipment owned and/or operated by MCImetro or
2 an underlying carrier.

3
4 When MCImetro begins to provide facility based local service
5 it will rely on its own in-house abilities and may augment its
6 expertise with service contracted for with an Incumbent Local
7 Exchange Carrier.

8
9 Q: PLEASE DISCUSS THE MANAGERIAL ABILITY OF MCIMETRO TO PROVIDE
10 TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA.

11 A: MCImetro's own management team includes individuals with the
12 skills and experience necessary for the successful provision
13 of quality telecommunications services. The company's
14 management team consists of professionals with backgrounds in
15 business management, finance, telecommunications, marketing
16 and engineering. Brief resumes for MCImetro's key management
17 personnel were provided as Exhibit "C" to the Company's
18 Application, which I adopt for purposes of this testimony.

19
20 Q: DESCRIBE MCIMETRO'S FINANCIAL RESOURCES FOR PROVIDING
21 TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA.

22 A: MCImetro is financially able to provide service in South
23 Carolina. As I noted earlier, MCImetro is a wholly-owned
24 subsidiary of MCImetro, Inc. which is a wholly-owned
25 subsidiary of MCIT, an interexchange carrier duly registered
26 to provide interexchange long distance services in South

1 Carolina. MCIT, in turn, is a wholly-owned subsidiary of
2 MCIC. Exhibits "D-1" and "D-2" to the Application, which are
3 MCIC's most recent 10-K Report and Annual Report to
4 Shareholders, demonstrate that MCImetro will have more than
5 sufficient financial resources to support its proposed
6 operations in South Carolina. I incorporate these exhibits in
7 my testimony by this reference.

8
9 Q: WHY IS IT IN THE PUBLIC INTEREST FOR THE COMMISSION TO GRANT
10 MCIMETRO A CERTIFICATE TO OPERATE IN SOUTH CAROLINA?

11 A: MCImetro offers competitively priced local service and a
12 variety of rate plans or service options. The company's
13 product offerings are easy to understand and provide consumers
14 with a viable alternative to other carriers. Certification of
15 MCImetro in South Carolina will permit South Carolina
16 consumers to take advantage of MCImetro's offerings.

17
18 In addition, certification of MCImetro will enhance
19 telecommunications competition in South Carolina. Competition
20 encourages technological innovation and efficient use of
21 resources. Increased competition has proven to benefit
22 consumers by providing a wide variety of services and prices
23 from which consumers can choose. Finally, price competition
24 enables consumers to obtain the services they desire at
25 reasonable prices.

1 Q: DOES MCIMETRO HAVE THE ABILITY TO PROVIDE VIABLE LOCAL
2 EXCHANGE SERVICES WITHIN SOUTH CAROLINA?

3 A: Yes. I believe MCImetro has the managerial, technical and
4 financial ability and resources to provide long distance
5 services within South Carolina.
6

7 Q: DOES THIS CONCLUDE YOUR TESTIMONY?

8 A: Yes.

2 MCI\MET\DARNELL.TES

ATTACHMENT 2

10/09/97 17:15 FAX 8776201

PEYTON HAWES

002

p-04-97 12:54P MGC/Legal Department

(702) 310-8689

P.02

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

RECEIVED

IN RE:

Review of Cost Studies,
Methodologies and cost-Based
Rates for Interconnection and
Unbundling of BellSouth's
Telecommunications Services

SEP 05 1997

Docket No. 7001-0

EXECUTIVE SECRETARY
G.P.S.C.

PREFILED TESTIMONY OF MICHAEL D. ENGLISH ON BEHALF OF
MGC COMMUNICATIONS, INC.

Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS.

A. My name is Michael English. I am the President of the Eastern Region of MGC Communications, Inc. ("MGC"). I am responsible for the oversight of our operations in Atlanta, Georgia.

Q. PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE AND BACKGROUND.

A. I have over 27 years of telephone experience, including serving in senior executive positions directing engineering, operations, business office, sales, and marketing functions. I hold a Bachelor of Science Degree in Electronics Engineering Science and a Masters Degree in Business Administration. I have been responsible for the negotiation and implementation of MGC's Interconnection Agreement with BellSouth, as well as for the installation of our DMS 500 switch at our operations center in Toco Hills. I am also responsible for the implementation of collocated technology within BellSouth central offices.